Farm Service Agency



Fact Sheet

August 1999

Other Tobaccos

1999 Support Program

Dark Air-Cured

Fire-Cured

Sun-Cured

Cigar Filler & Binder

Legislative Authority

The Agricultural Adjustment Act of 1938, as amended, authorizes marketing quotas on an acreage allotment basis for various kinds of tobacco, except cigar wrapper and perique. The Agricultural Act of 1949, as amended, sets the price support at the previous year's level, with an annual adjustment based on the change in a parity index average.

Marketing Quotas

Marketing quotas, having been approved by more than two-thirds of the producers, are in effect for the following tobaccos and crop years:

Kind (type)	Crop Years			Referendum Date	
Sun-Cured (37) Cigar Filler and Binder (42-44 & 53-55) Fire-Cured (21-22-23) Dark Air-Cured (35-36)	1998	1999	2000	March 1998	
	1999	2000	2001	March 1999	
	1997	1998	1999	March 1997	
	1997	1998	1999	March 1997	

Producers in March 1998 disapproved marketing quotas for 1998, 1999, and 2000 crops of Maryland (type 32), Pennsylvania cigar-filler (type 41), and Connecticut Valley cigar-binder (types 51-52) tobaccos. The next referenda for those three kinds are scheduled to be held in March 2001. In addition, a referendum was held in March 1996 for Cigar Filler (Type 46) tobacco in which no one voted. Because this kind of tobacco is no longer grown, a special ruling was made accepting the referendum as a "No" vote and absolving producers from future referenda

unless they actively petition the Secretary of Agriculture to reinstate the quota process.

Acreage Allotments

Following are 1999 national acreage allotments compared to 1998:

Kind (type)	1999 Allotment (acres)	1998 Allotment (acres)
Fire-Cured (21)	1,625	1,710
Fire-Cured (22-23)	16,065	16,818
Dark Air-Cured (35-36)	5,587	5,038
Sun-Cured (37)	117	118
Cigar Filler & Binder (42-44 & 53-55)	2,191	3,451
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Producers who exceed acreage allotments for tobaccos under marketing quotas are subject to marketing quota penalties. The penalty rate is 75 percent of the previous year's average market price.

The marketing year for all tobaccos covered in this fact sheet begins October 1.

Support Level

Following are national support levels for the 1998 and 1999 crops. USDA sets individual grade rates before the marketing season begins:

Kind (type)	Average Support Level (cents per pound)			
	1999	1998		
Dark Air-Cured (35-36) Fire-Cured (21) Fire-Cured (22-23) Sun-Cured (37) Cigar Filler & Binder (42-44 & 53-55)	148.1 155.9 171.6 138.0 123.8	145.0 153.6 168.1 136.0 121.2		

The 1999 support levels are 2.0 to 3.5 cents above 1998 support levels.

Support Method

Nonrecourse loans are available on 1999 production for the five quota tobaccos listed. Price support is provided to growers through producer associations under contractual terms with USDA's Commodity Credit Corporation (CCC). The associations receive the tobacco not sold at the support rate, using funds loaned by CCC.

Producers are required to certify that they have not nested their tobacco and also that pesticides used in producing tobacco have been approved by the Environmental Protection Agency and that these products have been used in accordance with label directions.

Assessments

As a condition of price support eligibility, producers of these various kinds of tobacco must pay an assessment on each pound of tobacco marketed to ensure the price support program operates at no net cost to taxpayers, as required by the No Net Cost Tobacco Program Act of 1982.

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	Production National Average Loan Level		No-Net-Cost Assessment		Average Price to Farmers	Farm Value				
ı	(million lbs.)		(cents per lb.)			(\$millions)				
Virginia	Virginia Fire-Cured Tobacco (type 21)									
1991	3.6	133.2	12.00		152.6	5.4				
1992	2.6	136.7	13.31		161.5	4.2				
1993	1.9	139.5	11.3025		171.9	3.3				
1994	2.4	140.7	7.29		161.2	3.9 2.4				
1995 1996	1.5 1.7	143.0 145.5	15.28 3.27		162.5 179.0	3.0				
1997	2.0	149.8	2.25		212.5	4.3				
1998	2.4	153.6	1.23		212.0	4.0				
1999		155.9	1.20	_0						
Kentuck	Kentucky-Tennessee Fire-Cured Tobacco (types 22-33)									
1991	29.3	136.7	,	5	213.4	62.6				
1991	34.2	142.1	1.3165 1.2895		217.3	74.4				
1993	39.0	146.4	0.768		219.4	85.6				
1994	45.9	148.3	1.258		209.2	96.0				
1995	37.7	151.8	1.241	0	217.2	81.9				
1996	42.5	155.7	1.221		224.5	95.4				
1997	40.3	162.3		1.1885 ²	225.6	90.9				
1998	40.4	168.1	0.1595^{1}	1.1595 ²						
1999		171.6								
	xy-Tennessee Da	ark-Air-Cured Tobacco	(types 35-36)							
1991	8.7	116.9	0.831		184.0	16.1				
1992	10.3	121.7	0.891		169.4	17.4				
1993	11.1	125.5	0.872		171.5	19.0				
1994	11.7	127.3	1.363		168.5	19.7				
1995 1996	8.5 8.6	130.4 133.9	2.3480 2.3305		176.2 195.2	15.0 16.8				
1997	8.2	139.8	0.3010 ¹ 1.301		201.7	16.5				
1998	10.1	145.0	0.2750 ¹ 1.275		201.7	10.5				
1999	1011	148.1	0.2.00	0 2.2.00						
Virginia	Sun-Cured Toba	acco (type 37)								
1991	.1	117.7	12.00	00	143.4	0.2				
1992	.1	120.8	13.39	60	138.0	0.2				
1993	.1	123.3	11.3835		152.1	0.2				
1994	.1	124.5	7.37		147.6	0.2				
1995	.1	126.5	15.3675		153.0	0.2				
1996	.1	128.8	3.3560		178.2	0.2				
1997 1998	.1 .1	132.6 136.0	2.3370 1.3200		190.8	0.2				
1998	. 1	138.0	1.32	00						
	inder Tobacco (t	ypes 53-55) (Wisconsii	n)							
1991	15.2	101.4	,	0	155.0	23.5				
1991	15.2 12.8	101.4	0	0 0	148.7	23.5 19.1				
1992	6.6	105.4	0	0	143.2	9.6				
1994	5.9	107.4	0.4580	J	145.0	8.6				
1995	6.2	110.1	0.4495	0.4495	145.0	9.0				
1996	5.2	112.0	0.4400	0.4400	149.0	7.7				
1997	5.7	116.9	0.4155	0.4155	150.2	8.6				
1998	4.2	121.2	1.3940	3.3940						
1999		123.8								
¹ Eastern Dark Fired Tobacco Growers Association ² Western Dark Fired Tobacco Growers Association ³ Stemming District Tobacco Growers Association										